

XII. Future Regulatory Rulings

- 61. Does the fact that both paging carriers and ISPs generally receive traffic but do not originate traffic require that the traffic directed to each be treated the same for compensation purposes?**

No. There are significant differences between paging carriers and ISPs that may properly result in different treatment of the traffic to each. Paging service providers are telecommunications carriers and exchange co-carriers with all of the regulatory obligations that attend those classifications. In contrast, ISPs have been specifically exempted from classification as telecommunications carriers,^{47/} and the FCC repeatedly has ruled that ISPs are to be treated as “end-users” for regulatory purposes. This distinction can serve to alter rights to compensation.^{48/} Additionally, a paging message terminates at a specific location which can be characterized as being either local or non-local. A call to an ISP enters the “Internet cloud” which means that the point of termination of the communication defies easy categorization in terms of locality. In light of these significant differences, the Commission need not treat traffic to paging companies and ISPs in identical fashion.

- 62. What should the Commission do on reconsideration in the paging interconnection proceeding?**

The Commission should: (a) affirm its prior rulings regarding the basic entitlement of paging carriers to reciprocal compensation; (b) confirm the obligation of LECs to bear the usage sensitive and non-usage sensitive costs associated with the delivery of LEC-originated traffic to paging companies for local termination; and (c) abandon forevermore the vacated rule which singled paging companies out as the only CMRS carriers obligated to perform their own Total Element Long Run Incremental Cost (“TELRIC”) studies in order to receive terminating compensation.

^{47/}Local Competition First Report at para. 995.

^{48/}For example, when a call involves a pager, the paging company is the terminating carrier. When a call involves an Internet user, the LEC or CLEC serving the ISP, not the ISP, is the terminating carrier.

63. What other actions should the Commission take to resolve paging/LEC interconnection issues?

The Commission should exercise the full limit of its jurisdiction under Section 332 of the Communications Act and establish a federal forum for setting the rates that CMRS carriers charge LECs for terminating traffic. Since the states are preempted under Section 332 of the Communications Act from regulating CMRS rates, and since the charge imposed by a paging carrier on a LEC for termination service is a CMRS rate, it should be deemed within the exclusive domain of the FCC.

Index**-A-****Arbitration**

- Under Section 252 of the Act Q.27

Appeal

- of the Local Competition First Report to the Eighth Circuit Q.34,Q.35
- of the Local Competition First Report to the Supreme Court Q.17

-B-**Benefits**

- to LECs of serving paging carriers Q.26

Bill and Keep

- opposed by the LECs Q.33

-C-**Chilling effect**

- of requiring cost studies Q.45

Commercial Mobile Radio Service (CMRS)

- as a Telecommunications Service . . . Q.4
- paging service as Q.4

Co-Carriers

- paging service providers as Q.5,Q.25,Q.54

Competition

- between one-way and two-way companies Q.45,Q.46,Q.47

Cost studies

- as a prerequisite to compensation . . Q.45

Customer Proprietary Network Information (CPNI)

- obligation of paging carriers to protect Q.3

-D-**Dedicated Facilities**

- cost of Q.57
- FX lines as Q.55
- use of Q.56

Definitions

- of Commercial Mobile Radio Service Q.3
- of CPNI Q.3
- of End Office interconnection Q.48
- of FX lines Q.55
- of LEC-originated traffic Q.30
- of local traffic Q.18,Q.19
- of one way messaging Q.1
- of paging service provider Q.1
- of point of connection (POC) or point of interface (POI) Q.39
- of reciprocal compensation Q.32
- of Tandem level interconnection . . . Q.48
- of telecommunications carrier Q.2
- of telephone exchange service Q.5
- of Type 1 interconnection Q.48
- of Type 2 interconnection Q.48

Discrimination

- between payments to one-way and two-way providers Q.47
- by LECs against paging carriers Q.9

-E-**End Office (Type 1) Interconnection**

- defined Q.48
- effect of numbering charges on . . . Q.50
- reasons for continuing Q.51
- converting to Type 2 Q.51

-F-**Facilities Charges**

- entitlement of paging carriers to relief from Q.21
- extent of relief Q.22,Q.30

Federal Communications Commission

- as arbiter of terminating compensation Q.14,Q.62
- jurisdiction over intrastate charges Q.10,Q.13
- preemptive authority of Q.12

Fixed Costs

- recovery of Q.36

Foreign Exchange (FX) Lines

- defined Q.55
- purpose of Q.56
- replacement of Q.57

-G-**Good Faith Estimate**

- as a basis for ascertaining local traffic Q.19

Good Faith Negotiations

- Section 252 request as a prerequisite to Q.27,Q.38

-H-**Historical Reasons**

- for selecting Type 1 interconnection Q.50

Historical Relationship

- between LECs and paging carriers Q.21

-I-**Incentive**

- to configure efficient network Q.24

Interconnection

- End Office (Type 1) Q.48

- obligations of paging carriers Q.3
- rights of paging carriers to Q.7,Q.8
- rights prior to the 1996 Act Q.7
- tandem level (Type 2) Q.48,Q.51
- type 1 (end office) Q.48
- type 2 (tandem level) Q.48,Q.51
- under Sections 201/202 of the Act .. Q.7
- under Sections 251/252 of the Act .. Q.8
- under Section 332 of the Act Q.7

Internet Service Providers (ISPs)

- compared to paging service providers Q.61
- ISP traffic distinguished from paging traffic Q.20

-J-**Jurisdiction**

- of FCC over intrastate interconnection Q.10
- of states preempted Q.13

-K-**-L-****LATAs**

- inter-LATA interconnection restrictions Q.28,Q.29

LEC-Originated Traffic

- defined Q.30
- local Q.13,Q.18
- obligation of paging carriers regarding Q.24

Local Competition First Report

- appeals of the Q.34
- citation Q.2
- effective date of Q.15
- preemptive effect of Q.13
- statutory basis of Q.12
- upheld on appeal Q.16

Local Exchange Carriers (LECs)

- ability to assess charges for facilities Q.13
- obligation to interconnect Q.7,Q.8,Q.11
- obligation to pay compensation Q.7,Q.31
- record of compliance Q.9

Local Service

- defined Q.18

Local Traffic

- ascertaining the extent of Q.19
- defined Q.13

-M-**Mediation**

- Under Section 251/252 of the Act Q.27

Metzger Letter

- cited Q.22
- effect of the Q.22

Mid-Sized Incumbent LECs

- appeal of the Local Competition First Report by Q.35

Minimum Requirements

- under sections 251/252 of the Act Q.27

Modification of Final Judgment (MFJ)

- effect on LEC obligations Q.5

Mutual compensation

- entitlement of paging carriers to receive Q.31

-N-**Negotiations**

- good faith obligation Q.11
- formal request as a prerequisite to Q.27,Q.38

Network Architecture

- of one-way and two-way carriers compared Q.46
- right of LEC to alter Q.25
- right of LEC to dictate Q.25

Non-Traffic Sensitive Facility Costs

- relief of paging carriers from paying Q.22

Numbering Charges

- impact on interconnection type Q.50
- reduction by federal mandate Q.13

-O-**One-Way Messaging**

- as telephone exchange service Q.5
- as local service Q.18
- compared to Internet service Q.20,Q.60
- defined Q.1
- entitlement to reciprocal compensation Q.31,Q.34,Q.35

Originating Carrier

- obligation to pay for facilities Q.23
- obligation to pay compensation Q.21

-P-**Paging Service**

- as CMRS Q.4
- defined Q.1
- one call versus two calls Q.43

Point of Connection (POC) or Point of Interface (POI)

- defined Q.39
- location of Q.39
- effect of relocating Q.41
- effect on transport Q.42

Preemption

- of conflicting state tariffs Q.12,Q.13
- under the Supremacy Clause Q.12

Private Branch Exchange (PBX)

- comparison of paging carrier to . . . Q.54

-Q-**-R-****Radio Frequency (RF) Network**

- as the wireless local loop Q.36
- entitlement to recover costs for . . . Q.36

Rating and Routing

- distinguished Q.59
- separation of Q.60

Reciprocal Compensation

- defined Q.32
- entitlement of paging carriers to receive Q.31

Reconsideration

- by the FCC of the First Report . . . Q.62

Reverse Billing

- as an interconnection arrangement Q.53
- defined Q.53

-S-**Sections 201/202 of the Act**

- interconnection rights created by . . . Q.7

Sections 251/252 of the Act

- interconnection rights created by . . . Q.8

Sections 332 of the Act

- interconnection rights created by . . . Q.7

Section 51.703 of the FCC Rules

- effective date Q.15
- interconnection rights created by . . Q.13

State Regulation

- of CMRS rates and entry Q.63
- preempted Q.13, Q.14

Supremacy Clause

- preemption under the Q.12

Supreme Court

- review of the Local Competition First Report Q.17

Switching Functions

- in an end office (Type 1) interconnection Q.49
- in a tandem (Type 2) interconnection Q.44

-T-**Tandem Level (Type 2) Interconnection**

- defined Q.48
- separation of rating and routing with Q.59
- effect of converting from Type 1 . . Q.51

Telecommunications Act

- citation Q.1
- of 1996 Q.5

Telecommunications Carrier

- obligations of Q.3
- defined Q.2
- paging carrier as Q.2

Telecommunications Service

- defined Q.2

Telephone Exchange Service

- paging carriers as providers of Q.5
- defined Q.5

Terminating Compensation

- entitlement of paging carrier to receive Q.7
- request to negotiate as a prerequisite Q.38
- reciprocal/mutual defined Q.32

Toll Revenues

- impact of FX lines on Q.56
- LEC entitlement to intra-LATA toll Q.56

Traffic Flow

- effect of imbalance on compensation Q.33

Traffic Sensitive Facility Costs

- relief of paging carriers from paying Q.22

Type 1 (End Office) Interconnection

- defined Q.48
- effect of numbering charges on ... Q.50
- reasons for continuing Q.51
- converting to Type 2 Q.51

Type 2(Tandem Level) Interconnection

- defined Q.48
- separation of rating and routing with Q.62
- effect of converting from Type 1 .. Q.51

-U-

Unbundling

- rating and routing separation Q.62

Uneven Traffic Flow

- effect on compensation Q.33

Universal Service Fund

- obligation of paging carriers to contribute Q.3

-V-

-W-

Wide Area Systems

- local service over Q.18

-X-

-Y-

-Z-